

Marc S. Dreier (MD-9713)
 Joel A. Chernov (JC-8789)
 Regina M. Alter (RA-7014)
 DREIER LLP
 499 Park Avenue
 New York, New York 10022
 (212) 328-6100

Attorneys for Plaintiffs

UNITED STATES DISTRICT COURT
 SOUTHERN DISTRICT OF NEW YORK

-----X
 ALESIA MILANESI, et al.,

Plaintiff,

- against -

THE REPUBLIC OF ARGENTINA,

Defendant.
 -----X

: 07 CV 7248 (TPG)

: **DECLARATION OF**
 : **RAUL HORACIO MENDEZ**
 : **IN SUPPORT OF MOTION**
 : **FOR SUMMARY JUDGMENT**

RAUL HORACIO MENDEZ declares under penalty of perjury as follows:

1. I am a citizen of the Republic of Argentina ("Argentina") and one of the plaintiffs in the above-captioned matter. I make this declaration in support of plaintiffs' motion for summary judgment as against Argentina. I have personal knowledge of the facts set forth below.

2. As set forth in the Complaint, it cannot be disputed that (i) my daughter Maria Mercedes Mendez Ferro and I own the bonds upon which we have sued (the "Bonds"); (ii) Argentina has defaulted on its contractual obligations with respect to the Bonds; and (iii) we provided Argentina with written notice of default accelerating Argentina's payment obligations. Accordingly, summary judgment is appropriate.

3. On July 31, 2001 and between November 23, 2001 and January 2, 2002, my daughter Maria Mercedes Mendez Ferro and I acquired the Bonds that were issued by Argentina pursuant to a Fiscal Agency Agreement, dated as of October 19, 1994 (the "1994

Fiscal Agency Agreement”)¹ in the aggregated principal amounts of: (i)\$358,000 having the ISIN No. US040114GF14 and CUSIP No. 040114GF1; (ii)\$60,000 having the ISIN No. US040114BE93 and CUSIP No. 040114BE9; and (iii)\$130,000 having the ISIN No. US040114AR16 and CUSIP No. 040114AR1. The Bonds are deposited under the name of our broker, Capital Markets Arg. Soc. de Bolsa S.A., and have been booked electronically by Caja de Valores in our name. A copy of our most recent certificate, as of December 13, 2007, is annexed hereto (with a true and accurate translation thereof) as Exhibit 1. That certificate indisputably shows that we continue to own the Bonds.

4. Notwithstanding its payment obligations under the Bonds, on or about December 20, 2001, Argentina announced an indefinite moratorium on the payment of principal and interest with respect to all of its foreign debt, including all payments due under the Bonds.

5. The declaration of the moratorium by Argentina and its failure to pay interest constitute “Events of Default” as defined by the 1994 Fiscal Agency Agreement.

6. In addition, Section 12 of the 1994 Fiscal Agency Agreement specifically defines “Events of Default” to include the following:

- (a) Non-Payment: the Republic fails to pay any principal of any of the Securities of such Series when due and payable or fails to pay any interest on any of the Securities of such Series when due and payable and such failure continues for a period of 30 days; or
- (d) Moratorium: a moratorium on the payment of principal of, or interest on, the Public External Indebtedness of the Republic shall be declared by the Republic.

7. Section 12 of the 1994 Fiscal Agency Agreement further provides that following either of the foregoing Events of Default, a bondholder may give Argentina written

¹ A copy of the 1994 Fiscal Agency Agreement is annexed to the Complaint as Exhibit A.

notice and declare "the principal amount of such Securities held by it to be due and payable immediately," together with all accrued interest.

8. By letter dated August 13, 2007, we provided Argentina with written notice that we were declaring the principal and interest on the Bonds to be due and payable. A copy of that letter is annexed hereto as Exhibit 2.

9. Since then, Argentina has failed to make any payment of principal or interest to my daughter and me.

10. By reason of the foregoing, Argentina has defaulted on its obligations, and summary judgment is warranted as against it.

I declare under penalty of perjury under the laws of the United States of America that to the best of my knowledge the foregoing is true and correct.

Dated: December 18, 2007



RAUL HORACIO MENDEZ

EXHIBIT 1



CAJA DE
VALORES

Sres.

Certificado N° 38802

Presente

CAPITAL MARKETS ARG. SOC. DE BOLSA S.A.

Depositante N° 38

Conste por la presente que al día 12 de DICIEMBRE de 2007 se encontraba registrados en Custodia en esta Caja de Valores S.A. a nombre de:

MENDEZ RAUL HORACIO
MENDEZ FERRO MARIA MERCEDES

Comitente N° 13849

los siguientes valores:

6505 BONOS EXT. GLOBALES 11,375 % V. 30/01/2017	*****130000.00	CED
6523 BONO EXT. GLOB. REP. ARG. VTO. 2009	*****60000.00	CED
6658 BONO GLOBAL REP. ARG. U\$S. VTO. 19/12/08	*****358000.00	CED

Se extiende este Certificado a pedido del interesado a los
mes de DICIEMBRE de 2007

13 días de

LA PRESENTE INFORMACION SE EXPIDE EN CUMPLIMIENTO DE LO DISPUESTO EN EL ARTICULO N° 43 DEL DECRETO REGLAMENTARIO DE ESTA CAJA DE VALORES S.A. N° 659/74 Y SOLO ACREDITA LA EXISTENCIA DEL SALDO REGISTRADO EN CUSTODIA EN CUENTA A LA FECHA CONSIGNADA EN EL PRIMER PARRAFO DEL PRESENTE.

GERENTE

DIRECTOR

HOJA 1 DE 1

CAJA DE VALORES

Certificate No. 38802

Depositor No. 38

Messrs.

CAPITAL MARKETS ARG. SOC. DE BOLSA S.A.

We hereby certify that as of December 12, 2007, the following bonds were deposited in custody in this Caja de Valores S.A. in the name of:

**MENDEZ, RAUL HORACIO
MENDEZ FERRO, MARIA MERCEDES**

Number of Principal: 13849

6505	FOREIGN GLOBAL BONDS 11.375% - MATURITY 01/30/2017*****	130,000.00	CED
6523	REPUBLIC OF ARGENTINA FOREIGN GLOBAL BOND MATURITY 2009	*****60,000.00	CED
6658	REPUBLIC OF ARGENTINA GLOBAL BOND IN US\$ MATURITY 12/19/08	*****358,000.00	CED

This certificate is issued at the request of the interested party on the 13 day of the month of December, 2007.

This information is issued in compliance with the provisions of Section No. 43 of this Caja de Valores S.A.'s Regulatory Decree No. 659/74 and it only shows the existence of the balance registered in custody as of this date in the account referred to in the first paragraph hereof.

[*There are two illegible signatures*]: Manager. Director.

Page 1 of 1

EXHIBIT 2

DREIER^{LLP}

ATTORNEYS AT LAW

Cara S. Mittleman
Direct 212 328 6119
cmittleman@dreierllp.com

August 13, 2007

CERTIFIED MAIL – RETURN RECEIPT REQUESTED

The Republic of Argentina
c/o Deutsche Bank, as Fiscal Agent
60 Wall Street
New York, NY 10005

Attn: Mr. Stan Burg

Re: Notice of Acceleration

Dear Mr. Burg,

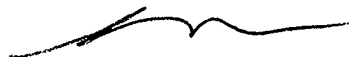
We write this letter on behalf of our clients, Raul Horacio Mendez and Maria Mercedes Mendez Ferro (together, “Mendez”).

Mendez is the owner of certain bonds issued by the Republic of Argentina (the “Republic”) pursuant to a Fiscal Agency Agreement, dated as of October 19, 1994 (the “Fiscal Agency Agreement”). In particular, Mendez is the owner of the following bonds issued by the Republic:

<u>Face Amount</u>	<u>ISIN No.</u>
\$ 358,000	US040114GF14
\$ 60,000	US040114BE93
\$ 130,000	US040114AR16

Pursuant to paragraph 12 of the Fiscal Agency Agreement, we hereby provide the Republic with notice that Mendez declares the principal of and interest on the foregoing bonds to be immediately due and payable. The entire corpus and interest earned to date should be forwarded to this firm, as counsel for Mendez.

Very truly yours,



Cara S. Mittleman

499 Park Avenue New York, New York 10022
Telephone 212 328 6100 Facsimile 212 328 6101
Los Angeles · Stamford · Albany
www.dreierllp.com